

**Comparison of Major Features of Programs Offered by
Ex-Im Bank and Commodity Credit Corporation
for Support of Bulk Agricultural Commodities**

	Ex-Im Bank	Commodity Credit Corporation	
Purpose	To assist exporters and financial institutions in financing exports of bulk agricultural commodities.	To expand or maintain U.S. share of world agricultural export markets; to assist in providing credit on commercial credit terms to meet export market development objectives.	
Eligible Applicants	U.S. exporters and financial institutions such as commercial banks, Edge Act Corporations or branches or agencies of foreign banks. Exporters may assign coverage to financial institutions.	U.S. exporters - who may assign coverage to eligible U.S. financial (lending) institutions.	
Eligible Products	Bulk agricultural commodities - 100% U.S.	All U.S. origin agricultural commodities are origin eligible for consideration under the program. Each commodity and country situation is reviewed on a case by case basis.	
Eligible Markets	All markets for which short-term insurance available per the Ex-Im Bank Country Limitation Schedule.	Markets in those countries for which coverage is USDA/FAS has announced availability of guarantee coverage.	
Name of Program	Ex-Im Bank Short-Term Policies includes the following: Small Business,* Umbrella,* Financial Institution Buyer Credit,** Short-Term Single-Buyer,** and Multi-Buyer.*** * Split Cover Only. ** Equalized Cover Only. *** Split or Equalized Cover available.	Ex-Im Bank Bank Letter of Credit Policy (ELC)	Export Credit Guarantee Program (GSM-102)
Form of Coverage	Insurance	Insurance	Guarantee
Value Covered	Gross invoice value of commodity plus freight, insurance and other charges plus interest.	Gross invoice value of commodity plus freight, insurance and other charges plus interest.	Eligible principal and interest is based upon defined "port value" of export. Freight coverage may be available as per individual country-specific USDA or FAS press announcement detailing coverage and credit terms.

	Ex-Im Bank Short-Term Policies	Ex-Im Bank Bank Letter of Credit Policy (ELC)	Export Credit Guarantee Program (GSM-102)
Maximum Principal and Interest Coverage	<p>Principal: Class I: 100%. Class II and III: Split: 98% for commercial losses and 100% for political losses; or, Equalized: 98%. No differentiation between political and commercial losses.</p> <p>Interest: Class I, II and III: Wall Street Journal Prime at date of disbursement less 0.5%.</p>	<p>Principal: Class I: 100%. Class II and III: 98%. No differentiation between political and commercial losses.</p> <p>Interest: Class I, II and III: Wall Street Journal prime at date of disbursement less 0.5%.</p>	Typically 98% of eligible principal and a fixed per annum rate of interest on eligible principal as set by CCC announcement (currently 3.5%); however, regulations permit maximum coverage of up to 100% of principal and interest cover not to exceed 52 week Treasury bill equivalent for a period of up to 36 months. No differentiation is made between commercial or noncommercial risk.
Form of Payment	Open account, drafts and irrevocable letters of credit.	Irrevocable letter of credit opened by foreign bank in favor of U.S. exporter.	Irrevocable letter of credit opened by CCC-approved foreign bank in favor of U.S. exporter.
Eligible Buyers	Foreign private and public importers and financial institutions.	Foreign private and public financial institutions which have a correspondent relationship with the insured.	Foreign private and public importers.
Commencement of Coverage	Earlier of date of shipment or date U.S. bank commits itself to finance the transaction.	At option of bank, either on date it commits itself to finance the transaction or on date documents are presented for payment.	On date of export.
Product Limit	None	None	Not to exceed annual allocation established by FAS. Allocation may vary during fiscal year as per public announcements.

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Country Limit	None set; decision to take on exposure function of country and foreign bank or buyer creditworthiness.	None set; decision to take on exposure function of country and foreign bank creditworthiness.	Not to exceed annual allocation established by FAS. Allocation may vary during fiscal year as per public announcements.																																					
Credit Limit	Internal exposure limit with foreign buyer or bank established on basis of creditworthiness.	Internal exposure limit with foreign bank established on basis of creditworthiness.	Internal exposure limit with foreign bank established on basis of creditworthiness.																																					
Repayment Term	Up to 360 days.	Up to 360 days.	Up to 36 months.																																					
Uninsured Portion of Risk	Must be retained for account of exporter.	U.S. bank has option to pass back up to 100% of uninsured amount to exporter.	Retained by U.S. exporter or assignee.																																					
Fees	<p>Multi-buyer policies have a composite rate based on spread of risk with the insured; paid per \$100 of gross invoice value.</p> <p>Single-buyer policy premiums are based on the Class of buyer, repayment term and country of importation, range from \$0.03 to \$3.10 per \$100 of gross invoice value.</p>	<p>Class I: Premium ranges from \$0.03 to \$3.10 per \$100 of gross invoice value depending upon length of credit period and country of importation.</p> <p>Class II: Premium ranges from \$0.04 to \$3.10 per \$100 of gross invoice value depending upon length of credit period and country of importation.</p> <p>An additional pre-presentation premium is charged if cover is effected as of date bank commits itself.</p>	Fee varies with length of credit period, repayment interval and extent of coverage. Fees for typical 98% guaranteed coverage per \$100 guaranteed value and 3.5% interest, as follows:	<table><tr><th>Length of Credit</th><th>Repayment Interval</th><th>Fee</th></tr><tr><td>6 months</td><td>Semiannual</td><td>0.153</td></tr><tr><td>12 months</td><td>Semiannual</td><td>0.209</td></tr><tr><td>12 months</td><td>Annual</td><td>0.315</td></tr><tr><td>18 months</td><td>Semiannual</td><td>0.308</td></tr><tr><td>18 months</td><td>Two installments: one annual and one semiannual</td><td>0.368</td></tr><tr><td>24 months</td><td>Semiannual</td><td>0.388</td></tr><tr><td>24 months</td><td>Annual</td><td>0.480</td></tr><tr><td>30 months</td><td>Semiannual: 1/5 at 6-month intervals</td><td>0.470</td></tr><tr><td>30 months</td><td>Annual: 2/5 at 12 months; 2/5 at 24 months; 1/5 at 30 months</td><td>0.544</td></tr><tr><td>36 months</td><td>Semiannual</td><td>0.556</td></tr><tr><td>36 months</td><td>Annual</td><td>0.663</td></tr></table>	Length of Credit	Repayment Interval	Fee	6 months	Semiannual	0.153	12 months	Semiannual	0.209	12 months	Annual	0.315	18 months	Semiannual	0.308	18 months	Two installments: one annual and one semiannual	0.368	24 months	Semiannual	0.388	24 months	Annual	0.480	30 months	Semiannual: 1/5 at 6-month intervals	0.470	30 months	Annual: 2/5 at 12 months; 2/5 at 24 months; 1/5 at 30 months	0.544	36 months	Semiannual	0.556	36 months	Annual	0.663
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Cargo Preference Limit	Not applicable.	Not applicable.	Not applicable.																																					

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Claim Filing Waiting Periods	90 days only after each of	<p>Claims may be filed 10 days of non-payment. the following three requirements have been met:</p> <ol style="list-style-type: none"> 1. After failure of the issuing bank to pay or reimburse the insured bank, the insured bank must make the same efforts to obtain payment or reimbursement from the issuing bank that it would make if the transaction were uninsured; 2. Within 30 days after the failure of the issuing bank to pay or reimburse, the insured bank must make formal written demand on the issuing bank; 3. The issuing bank has failed to pay or reimburse for more than 60 days. 	<p>Exporter/assignee must notify CCC within 6 months must file claim(s) no later than 6 months from non-payment date, i.e. original principal and/or interest payment due dates.</p>
Information and Applications	<p>Contact Ex-Im Bank, Insurance Division, Contact Assistant General Sales Manager, 811 Vermont Ave., N.W. Washington, D.C. 20571 (202) 565-3630</p> <p>USDA, FAS, 14th and Independence Ave., S.W. Washington, DC 20250. (202) 720-3224.</p>		

Notes:

Ex-Im Bank: Export-Import Bank of the United States (Ex-Im Bank).
USDA: United States Department of Agriculture.
FAS: Foreign Agricultural Service.
Class I: Sovereign, or transactions with a sovereign guarantor (offers full faith and credit of country of importation).
Class II: Non-sovereign public entities, banks and transactions with a bank guarantor.
Class III: Private entities.

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